

ANSWERS TO QUESTIONS

Publication reference: NEAR/BEY/2021/EA-LOP/0150 Enhancement of the operation of hydropower plant of Litani River Authority

With reference to the above-mentioned tender procedure, please find below questions raised by potential tenderers and the corresponding answers:

Question 1: File c4b, point 11, part 3: In your above stated file/point you require "Documentary evidence showing that an authorized and established network of service points exists in Lebanon for the items tendered." Could you please explain more precisely what type of network you mean and why is this necessary. We fear many EU companies might be excluded by this condition.

Answer 1: .In the cases where any issue related to the supplied items arises, such as defects or required repair, at least during the warranty period, the Litani River Authority needs to communicate with the contractor via a local focal point with established physical location (legal entity) to ensure the delivery of the required support within due time. Such representative could be contracted by the Contractor to provide the required service to LRA only for the sole purpose of this contract.

Question 2: **The technical specification item 4.2 requests “Preparation for Prefabs and IEC 61850 Bus Communication of the protection relays is mandatory:**.Our intended generator protection relays 7UM85 (Siemens) will be equipped with an Ethernet communication module supporting IEC 61850, IEC 60870-5-104, DNP3 TCP, Modbus TCP, Profinet IO protocols. As Profibus protocol is no longer available we kindly ask whether preparation for communication via IEC 61850 protocol only will be acceptable (as per item 1.14 IEC 61850 or equivalent is specified we believe that above proposal is in line with the request).

Answer 2: The Contracting Authority cannot assess the proposed solution at this stage. However, the proposed solution must cover all the requirements.

Question 3|: **The technical specification item 4.2 requests “Remote Monitoring of the Protection Relay Status shall be provided by means of a touch screen panel in the control room.** We suggest using a notebook with installed protection application software DIGSI 5. This notebook, which could be located on the operator desk, would be connected to the protection relays via Ethernet cable. Using Siemens Web-UI Interface all relevant data like actual operational values, functional values, event logs, fault logs, fault records, as well as status information of binary inputs, binary outputs and LEDs of every single protection relay can be obtained. Please confirm whether our proposal is acceptable.

Answer 3: please refer to answer #2

Question 4 |: **The technical specification item 4.5 requests “The new protection devices shall be fixed in the existing panel following a mechanical adaptation in the same location of the dismantled old existing devices.** May we kindly ask to provide the overall dimensions of the existing ELIN DRS-compact protection relays (HxWxD) respectively their cut-outs in the existing swing panel in order to assess the adaptations for installation of the new protection relays?

Answer 4: The swing panel is made of steel sheet with about 4 mm thickness, which adaptation should not have significant impact on the cost. For more information on dimensions, please check the attachment 1.

Question 5: The technical specification item 4.3 requests “The Protection Relays is or are to be mounted on a swing-frame inside the protection panel and shall be all times visible through a Plexiglas window in the main door of the protection panel: We suggest a cut-out in the existing cubicle door with an embedded Plexiglas window for this purpose. Please confirm whether our proposal is acceptable.

Answer 5: please refer to answer #2

Question 6 |: As mentioned in the INSTRUCTIONS TO TENDERERS, the offer documents must be submitted in sealed envelopes. According the specification we are not sure if we understand the structure of the envelopes correctly: We understand to submit one original and two copies. We assume all of them in one envelope. The Original and the copies shall be in separate inner envelopes. In each of the offers (original and copies) shall be put “Part 1: Technical offer” and “Part 2: Financial offer” again in an inner envelope to be separated from “Part 3: Documentation”. So when opening the overall envelope you will find three envelopes marked “Original”, “Copy 1” and “Copy 2”. Opening one of the offers then you will find the “Part 3: Documentation” and an envelope containing “Part 1: Technical offer” and “Part 2 Financial offer”. Please inform us if our understanding is correct.

Answer 6: Confirmed.

Question 7 |: ITT , Article 12 taxes and other charges We kindly ask to clarify, explain and confirm shortly the full tax exemption and application to this contract. There shall be also a correspondent clause in the contract dealing with the full tax exemption. From previous financed projects including also full exemption from taxes (especially VAT) it seems that local authorities dealing with import of goods (harbor or airport) are not instructed proper resulting in huge effort for the contractor in getting goods out of customs (delays of several month) or necessity to provide pre-payment of VAT with high bureaucratic effort and long waiting time for returning the same. Please confirm that if such case happens the contracting authority is taking over the importing procedure. Furthermore we are not considering fiscal registration in Lebanon for that project.

Answer 7: The contract will be exempted form VAT. The Contracting Authority may, upon the request of the Contractor, provide an official letter addressed to the Customs to facilitate clearance; the full responsibility of the clearance remains with the Contractor. The Contracting Authority will also provide assistance for exemption from VAT, upon request, in due time, from the Contractor.

Question 8: Special conditions: Article 12.1 Liabilities: we kindly ask to limit all damages to direct losses and capped with contract value (as in contract excl. fraud, gross negligence), applicable to 12.1 a), b) and c). Therefore we propose to add the following wording: “The contracting parties agree that any possible claims for damages shall be limited to direct losses. Liability for indirect losses, e.g. loss of profit, disruption of production and any other pecuniary losses, and damage to the consignment itself which are not covered by contractor’s warranty obligations as such are expressly excluded, whatever their legal basis.” 12.1 c) Please add: “shall be capped at an amount equal to the contract value” as 12.1 a) and b).

Answer 8: the contract conditions must be respected and remain unchanged.

Question 9: Special conditions: Article 12.2 b) Insurance: Please clarify and explain what is required under this specific insurance “The contractor shall in particular subscribe a products and after delivery insurance.

Answer 9: The contractor delivers the goods when the goods are placed at the disposal of the contracting authority, cleared for import on the arriving means of transport ready for unloading at the named place of destination. The contractor bears all the costs and risks involved in bringing the goods to the place of destination and has an obligation to clear the goods not only for export but also for import, to pay any duty for both export and import and to carry out all customs formalities. The transfer of risks and costs occurs at the place of unloading of the goods at the agreed place of destination.

Question 10: Special conditions: Article 32 – Warranty obligations: We kindly ask to add the following sentence in order to determine a latest period for warranty: However, in any case the warranty period for repaired parts shall end two years after the original commencement of the warranty period for that part.

Answer 10: the warranty conditions must be respected as stated in the contract.

Question 11: General conditions Article 9 – Code of Conduct: Our company can only be bound to its own code of conduct, which will be submitted to our offer, we kindly ask to consider and add the following wording to the contract: “The respect of the code of conduct set out in the present Article 9 does not constitute a contractual obligation, failure to comply with the code of conduct is not deemed a breach of contract. Therefore failure to comply with the code shall not lead to termination of the contract. Contractor adheres and is only bound to its own code of conduct.

Answer 11: The general conditions must be respected and remain unchanged.

Question 12::General conditions Article 21.3 – Delays in implementation of the tasks: We kindly ask to delete “seize the performance guarantee; and/or as” and “enter into a contract with a third party for the provision of the balance of the supplies at the contractor's cost” from the paragraph 21.3 and to add the wording below: The liquidated damages are the contracting authority’s sole remedy and entitlement for the contractors delay. Termination is only possible when the maximum of 15% of the total contract price is reached.

Answer 12: The general conditions of the contract must be respected and remain unchanged.

Question 13: ITT, Article 11. Content of tenders: Documentary evidence showing that an authorized and established network of service points exists in Lebanon for the items tendered. We could not identify a network of service points within Lebanon for the items tendered. Therefore we kindly ask you to delete or modify that requirement.

Answer 13: Please refer to answer #1

Question 14: We kindly ask for additions to the wording of the guarantee forms. Please add the following wording to the sentence of release of the guarantee in the forms of the Performance, Pre-finance and Tender guarantee: “, but however this guarantee will expire automatically at the latest on YYYY-MM-DD” Please add the following sentence to the Performance, Pre-finance and Tender guarantee: “The rights resulting from this guarantee are neither transferable nor assignable.” Please amend the sentence in the wording of the Pre-finance guarantee as follows: “The guarantee will enter into force and take effect when the payment of the pre-financing is received in the account of the contractor without reserve”.

Answer 14: No. The guarantees ’ template provided in Annex VI must be respected.

Questions 15: The requested guarantees will be issued by a first class Austrian or German bank. Please clarify if there are additional requirements regarding the issuance of the guarantees (also for pre-finance and tender guarantee).

Answer 15: Please refer to answer #14.